GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

UNSTARRED QUESTION NO:580
ANSWERED ON:20.07.2016
Utilization of MPLAD Funds
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Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether the previous fiscal and the current fiscal have seen MPs utilizing their MPLAD funds to the maximum;

(b) if so, the details thereof;

(c) whether a large number of MPLAD funds are still unutilized for the same period;

(d) if so, the details thereof;

(e) whether the Government has taken any steps to ensure that the asset quality of projects funded under MPLADS is high and if so, details thereof; and

(f) the present status of the proposal to increase allocation of funds under MPLADS?

Answer

MINISTER FOR STATISTICS AND PROGRAMME IMPLEMENTATION [SHRI D.V. SADANANDA GOWDA]

(a) to (d): The funds under the Members of Parliament Local Area Development Scheme (MPLADS) are non-lapsable, both at the end of the Union Government and at the end of the District Authority i.e. the unspent balances of a particular year are utilized in the subsequent year (s). In view of the nature and dynamics of the scheme, the unutilized balances, which also include interest accrued, are bound to exist at any given point of time and utilization of MPLADS funds in the same financial year is not feasible.

The position of funds released and utilized during 2015-16 and 2016-17 (up to 30.06.2016) under the MPLADS is as under:-

<pre>
Rs. in crore

Unspent
Year Released Utilized Balance

2015-16 3502.00 3628.01 4947.13
2016-17 858.00 997.50 4963.77
(up to
30.06.2016)

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Note: (i) The figures are based on the latest monthly progress reports received from the Nodal District Authorities.

(ii) There is no incongruity in the figures since the funds are non-lapsable and unspent balances as well as interest are utilized in the subsequent year(s).

(iii) Unspent balance figures are net cumulative amount available with the Nodal Districts as on 31.03.2016 for the year 2015-16 and as on 30.06.2016 for the year 2016-17.

(e): Implementation of the MPLADS in the field is undertaken by the District Authorities as per the State Government's technical, administrative and financial rules.

The monitoring mechanisms, wherein the roles of the Central Government, State Governments, District Authorities and Implementing Agencies are laid down, have been duly prescribed in the Guidelines on MPLADS. The Guidelines are available in the public domain, including on the official website of Ministry of Statistics and Programme Implementation (www.mospi.nic.in).
The Ministry of Statistics and Programme Implementation regularly reviews the implementation of the MPLADS through national-level review meetings with State Government/District officers and visits to States/Districts. The Ministry also undertakes third party physical monitoring of the MPLADS works in selected districts through independent agencies. In addition, the Comptroller and Auditor General (C&AG) of India conducts periodic Performance Audit of the MPLADS.

(f): Hon'ble Lok Sabha Committee on MPLADS in its sitting held on 02.07.2013 had recommended to increase the annual allocation per Member of Parliament from rupees 5 crore to rupees 10 crore.
Hon'ble Deputy Speaker Lok Sabha (16th Lok Sabha) and Chairman, Lok Sabha Committee on MPLADS vide letter dated 25.02.2015 had requested for increase of annual allocation of MPLADS funds per Member of Parliament to Rs. 25 crore.
The matter was referred to Ministry of Finance, who gave their comments on 13.06.2016:

While the increase from Rs. 2 crore to Rs. 5 crore (2Â½ times) was after 12 years, the present request for 5 fold increase is after only 5 years. The enhancement requested for would entail a five fold increase resulting in annual budgetary allocations totaling Rs.19750 crore (against Rs.3950 crore at present). It would be difficult to make such provisions. The audit reports, results of evaluation of the scheme, the utilization of funds released till now for the scheme, the unspent balances lying in the field, etc. have to be carefully considered, while keeping in view the constraints in the availability of resources with the Central Government.

At present there is no proposal in this Ministry to increase the annual allocation of MPLADS funds.

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